



The Old Man and the Sea of IP - A Licensing-Out Primer

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Ernest Hemingway is not just a famous author anymore. Part of his legacy, as carefully managed by companies controlled by his heirs, is now growing into a significant branding enterprise that does much more than publish books. While there are still existing copyrights in his literary works—the cornerstone intellectual property (IP)—there is also newer IP. For example, there are trademarks based on his name, which, since he is dead, can be registered and marked with ® as in, Ernest Hemingway®. There are also personality rights in his likeness. Whether or not a famous author's legacy should be commercialized in the manner discussed below is an issue that will be debated among fans, but if it is going to be commercialized, then protecting the IP rights is key.

IP should always be managed in an orderly way. In each case, an owner needs to identify, control and secure its IP assets, register them where appropriate, decide whether to make the product or offer services yourself, or license other companies to do so. Owners need to be proactive, not reactive.

While Hemingway's life was **chaotic** at times, the newer branding endeavors in his name appear to be more orderly and very collaborative. Some products are commercialized under license to a Hemingway-named company, such as clothes by **Hemingway, Uomo.**, which we assume to be related to the estate. In other cases, a Hemingway company cooperatively licenses-out the Ernest Hemingway® trademark rights to arm's length third parties. There is **furniture** by Thomasville, **rum** by Papa's Pilar, **seasonings** by EH Gourmet and a **boat** by Baha Marine. There is even a **Hemingway app** developed by two brothers to help improve a user's writing style to be more concise. If only it was so easy to write like Hemingway!

Licensing-out is not just for low-tech consumer products, it can also be used to commercialize cutting edge science. In biotechnology, Cetus licensed a famous patented reaction called PCR which was used to exponentially multiply the miniscule amounts of DNA in a sample so that it could be tested and characterized. It is very useful for basic research as well as diagnostics. The **initial patents**, US 4,683,202 and 4,683,195, later acquired by Roche, expired about 10 years ago, but improvements have been patented, creating a **portfolio of IP** to license-out.

Now a new technology called CRISPR is being used to modify genes of mammalian cells. There are initial patents held by the Broad Institute, MIT and other affiliated groups, which focus on engineered components, compositions and processes. These patent rights are available for **license-out**. Again, there is a pattern of building a portfolio of patents around the original technology and new developments.

If the person that produces the initial innovation protects it properly, then it may be able to obtain broad rights that control use of its own technology by others, and that are also broad enough to cover incremental improvements made entirely by arm's length companies. This can be the basis of a good licensing-out program that is a win-win for everybody by making the new IP widely available while generating revenue.

Protecting IP early is critical regardless of the type of IP. However, as the Hemingway example shows, it is never too late to try to

build IP and license it out.

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